GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:5724
ANSWERED ON:07.04.2017
Performance of Ordnance Factory Board
Nayak Shri B.V.

Will the Minister of DEFENCE be pleased to state:

(a) whether the Ordnance Factory Board (OFB) has been exaggerating its performance while failing o meet production targets;

(b) if so, the details thereof;

(c) whether the CAG audit in ten ordnance factories showed a persistent trend of overstatement of performance in the form of advance issue of vouchers; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE (DR. SUBHASH BHAMRE)
IN THE MINISTRY OF DEFENCE
????? ????? ?????? (??. ????? ?????)

(a) & (b): No, Madam. Value of Issue by Ordnance Factory Board (OFB) is on actual basis. The Supply target vis-Ã -vis achievement of OFB during last three years is given below:-

Year	RE target Value of Issue	% achievement	% increase in Value of Issue (Year to Year)
2013-14	11,860	11,123 94%	-
2014-15	11,900	11,364 96%	2.17
2015-16	13,515	13,047 97%	14.80

The factual data shows marginal shortfall in achieving the targets, which is on account of reasons like delay in receipt of inputs from trade sources both indigenous and import origin, capacity constraints in some areas, Non realization of advance from Police units and civil market for arms and weapons, delay in indents for logistic vehicles, Non receipt of Bulk Production Clearance, etc. However, in terms of value of Issue, the year 2015-16 achieved a growth of 14.80%.
(c) & (d): CAG audit has indicated instances of advance issue of vouchers. The cases of advance issue vouchers mentioned by CAG audit have been examined in consultation with OFB for corrective action. Principal Controller of Accounts (Factories) has instructed Branch Account Offices not to accept issue vouchers without dispatch details. With the introduction of payment of Excise Duties (ED) by the Ordnance Factories on their products from 1st June, 2015, Issues of the items are linked with Excise Gate Pass thereby eliminating instances of advance issue vouchers.
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